Habitat for Humanity - MidOhio
Columbus, Ohio

Consolidated Financial Statements,
Supplementary Information
and Related Independent Auditor's Reports in Accordance
with Government Auditing Standards and the Uniform Guidance
For the years ended June 30, 2025 and 2024

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Independent Auditor's Report

Board of Directors
Habitat for Humanity - MidOhio
Columbus, Ohio

Opinion

We have audited the consolidated financial statements of Habitat for Humanity - MidOhio and its subsidiaries (Organization), which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2025 and 2024, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Schneider Downs & Co., Inc.
www.schneiderdowns.com
PrimeGlobal
An Association of Independent Accounting Firms

One PPG Place
Suite 1700
Pittsburgh, PA 15222
TEL 412.261.3644
FAX 412.261.4876

65 E. State Street
Suite 2000
Columbus, OH 43215
TEL 614.621.4060
FAX 614.621.4062

1660 International Drive
Suite 600
McLean, VA 21102
TEL 571.380.9003

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Supplementary Information, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2026 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Schneider Downs & Co., Inc.

Columbus, Ohio
January 28, 2026

Habitat for Humanity - MidOhio

Consolidated Statements of Financial Position
As of June 30, 2025 and 2024

	2025	2024
Assets		
Current assets		
Cash and cash equivalents	$ 2,182,308	$ 802,517
Receivables		
Contributions and grants	673,596	859,690
Mortgages, net	1,163,829	1,306,187
ReStore	1,013	81,548
Inventories	1,130,384	987,130
Prepaid expenses	146,489	111,849
Construction-in-progress	1,242,620	2,386,110
Asset held for sale	1,956,097	-
Total current assets	8,496,338	6,535,033
Property and equipment, net of accumulated depreciation of $2,815,171 and $2,435,984 for 2025 and 2024, respectively	5,236,651	7,575,643
Investments	6,439,533	6,833,283
Contributions and grants receivable, net	82,197	168,367
Mortgages receivable, net	6,673,284	8,233,881
Other	139,609	190,518
Total Assets	$ 27,067,610	$ 29,536,723
Liabilities and Net Assets		
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ 1,175,227	$ 1,698,845
Line of credit	-	1,050,000
Current maturities of long-term debt	528,877	728,929
Refundable advances and other	190,084	548,857
Total current liabilities	1,894,188	4,026,631
Long-term debt, net of current	5,733,091	6,253,713
Total liabilities	7,627,279	10,280,344
Net assets		
Net assets with donor restrictions	289,992	380,647
Net assets without donor restrictions	19,150,339	18,875,732
Net assets	19,440,331	19,256,379
Total Liabilities and Net Assets	$ 27,067,610	$ 29,536,723

See accompanying notes to consolidated financial statements.

Habitat for Humanity - MidOhio

Consolidated Statements of Activities and Changes in Net Assets
For the years ended June 30, 2025 and 2024

	Without Donor Restriction 2025	With Donor Restriction 2025	2025	Without Donor Restriction 2024	With Donor Restriction 2024	2024
REVENUES, SUPPORT AND GRANTS						
Sales to homeowners, net	$ 3,211,821	$ -	$ 3,211,821	$ 1,602,679	$ -	$ 1,602,679
ReStore operations	4,181,103	-	4,181,103	3,928,886	-	3,928,886
Contributions and grants	5,381,171	49,883	5,431,054	4,010,062	70,625	4,080,687
Investment income, net	463,024	-	463,024	616,319	-	616,319
Total	13,237,119	49,883	13,287,002	10,157,946	70,625	10,228,571
Contributed nonfinancial assets	3,319,139	-	3,319,139	3,146,757	-	3,146,757
Total gifts and grants	16,556,258	49,883	16,606,141	13,304,703	70,625	13,375,328
Other revenue:						
Amortization of loan discount	1,674,166	-	1,674,166	504,713	-	504,713
Rental income	223,573	-	223,573	326,751	-	326,751
Other income	1,163,592	-	1,163,592	769,700	-	769,700
Total other revenue	3,061,331	-	3,061,331	1,601,164	-	1,601,164
Net assets released from restriction	140,538	(140,538)	-	343,601	(343,601)	-
Total revenues, support and grants	19,758,127	(90,655)	19,667,472	15,249,468	(272,976)	14,976,492
FUNCTIONAL EXPENSES						
Program services	17,514,882	-	17,514,882	15,295,062	-	15,295,062
Management and general	1,215,321	-	1,215,321	1,840,953	-	1,840,953
Fundraising	753,317	-	753,317	768,507	-	768,507
Total functional expenses	19,483,520	-	19,483,520	17,904,522	-	17,904,522
Changes in net assets	274,607	(90,655)	183,952	(2,655,054)	(272,976)	(2,928,030)
Net Assets at beginning of year	18,875,732	380,647	19,256,379	21,530,786	653,623	22,184,409
Net Assets at end of year	$ 19,150,339	$ 289,992	$ 19,440,331	$ 18,875,732	$ 380,647	$ 19,256,379

See accompanying notes to consolidated financial statements.

Habitat for Humanity - MidOhio

Consolidated Statements of Functional Expenses
For the years ended June 30, 2025 and 2024

	Program Services 2025	Management and General 2025	Fundraising 2025	2025
Cost of homes sold	$ 6,688,946	$ -	$ -	$ 6,688,946
Salaries and benefits	3,768,024	787,926	558,421	5,114,371
ReStore cost of goods sold	3,638,684	-	-	3,638,684
Professional services	651,270	167,684	64,753	883,707
Rent	537,256	-	-	537,256
Depreciation	405,092	8,163	7,684	420,939
Payroll tax	320,911	56,750	39,720	417,381
Other expenses	249,544	64,655	3,848	318,047
Interest	216,520	69,458	-	285,978
Habitat International tithes	275,000	5,000	-	280,000
Utilities	241,569	6,828	5,995	254,392
Other building and equipment expense	211,076	11,455	5,865	228,396
Supplies	192,723	10,530	5,595	208,848
Vehicle rental and operation expense	179,723	3,902	2,098	185,723
Insurance	167,605	3,643	-	171,248
Promotional and public relations	58,325	6,953	37,776	103,054
Communications	47,410	10,027	8,525	65,962
Bank charges	20,133	2,347	13,037	35,517
Bad debt expense	27,271	-	-	27,271
Change in construction-in-progress valuation allowance and allowance for credit losses	(382,200)	-	-	(382,200)
Total expenses	$ 17,514,882	$ 1,215,321	$ 753,317	$ 19,483,520

See accompanying notes to consolidated financial statements.

Habitat for Humanity - MidOhio

Consolidated Statements of Functional Expenses
For the years ended June 30, 2025 and 2024

	Total Program 2024	Management and General 2024	Fundraising 2024	2024
Cost of homes sold	$ 5,997,094	$ -	$ -	$ 5,997,094
Salaries and benefits	3,737,613	1,348,661	617,124	5,703,398
ReStore cost of goods sold	3,435,097	-	-	3,435,097
Professional services	161,504	237,306	8,431	407,241
Rent	361,724	-	-	361,724
Depreciation	402,232	10,836	7,208	420,276
Payroll taxes	334,147	50,391	35,178	419,716
Other expenses	210,756	47,265	5,934	263,955
Interest	221,203	103,730	5,063	329,996
Habitat International tithes	75,000	-	-	75,000
Utilities	230,410	5,503	6,302	242,215
Other building and equipment expense	179,880	7,767	4,783	192,430
Supplies	166,796	6,994	12,701	186,491
Vehicle rental and operation expense	171,273	2,566	2,062	175,901
Insurance	163,847	8,242	-	172,089
Promotional and public relations	62,863	1,733	39,291	103,887
Communications	45,572	7,753	7,194	60,519
Bank charges	24,526	2,206	14,736	41,468
Bad debt expense	318	-	2,500	2,818
Change in construction-in-progress valuation allowance and allowance for credit losses	(686,793)	-	-	(686,793)
Total expenses	$ 15,295,062	$ 1,840,953	$ 768,507	$ 17,904,522

See accompanying notes to consolidated financial statements.

Habitat for Humanity - MidOhio

Consolidated Statements of Cash Flows
For the years ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities		
Change in net assets	$ 183,952	$ (2,928,030)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Amortization of loan discount	(1,674,166)	(504,713)
Realized and unrealized gain and reinvested interest and dividends	(420,776)	(621,765)
Change in fair value of interest rate swap	50,909	(190,518)
Depreciation	420,939	420,276
Change in construction-in-progress valuation allowance	(442,839)	(686,793)
Change in allowance for credit losses	60,639	-
Change in discount on long-term contributions receivable	(12,830)	(18,505)
Donated inventory	26,802	(155,284)
Changes in operating assets and liabilities		
Receivables	3,682,111	(271,272)
Inventory	(170,056)	169,130
Prepaid expenses and other	(34,640)	31,238
Construction-in-progress	1,586,329	78,489
Other assets	-	3,474
Accounts payable and accrued liabilities	(523,618)	794,498
Refundable advances and other	(358,773)	243,065
Net cash provided by (used in) operating activities	2,373,983	(3,636,710)
Cash flows from investing activities		
Purchase of investments	-	(635,670)
Proceeds from sale of investments	814,526	2,681,881
Purchase of property and equipment	(68,504)	(219,353)
Proceeds from sale of property and equipment	30,460	-
Net cash provided by investing activities	776,482	1,826,858
Cash flows from financing activities		
Proceeds from line of credit	-	850,000
Payments on line of credit	(1,050,000)	-
Proceeds from notes payable	-	1,277,578
Principal payments on long-term debt	(720,674)	(765,349)
Net cash (used in) provided by financing activities	(1,770,674)	1,362,229
Net increase (decrease) in cash and cash equivalents	1,379,791	(447,623)
Cash and cash equivalents at beginning of year	802,517	1,250,140
Cash and cash equivalents at end of year	$ 2,182,308	$ 802,517

See accompanying notes to consolidated financial statements.

Habitat for Humanity - MidOhio

Consolidated Statements of Cash Flows
For the years ended June 30, 2025 and 2024

	2025	2024
Supplemental cash flow information		
Cash paid during the year for		
Interest	$ 286,000	$ 330,000
Noncash investing and financing activities		
Purchase of property and equipment through notes payable	-	30,358

See accompanying notes to consolidated financial statements.

1. Nature of Organization

Habitat for Humanity - MidOhio (HFHMO), a nonprofit organization, was incorporated in 1986. HFHMO is an affiliate of Habitat for Humanity International, Inc. (Habitat International), a nondenominational Christian nonprofit organization whose purpose is to create decent, affordable housing for those in need and to make decent shelter a matter of conscience with people everywhere. Habitat International assists with information resources, training, publications, prayer support and in other ways. Habitat Capital Resources Corporation (HCRC) and Habitat N. 21st Street LLC (Habitat N21st) were formed in 2022. These entities are controlled by HFHMO. HCRC is an emerging community development financial institution that provides financing of mortgages to HFHMO partner families. Habitat N21st owns a commercial shopping center in Newark, Ohio, that rents space to the HFHMO Newark ReStore and other third parties.

Since inception, HFHMO has served 1,505 families by building 438 new homes, rehabilitating 51 homes and impacting 1,016 families by providing critical repairs and other services, including Rock the Blocks. During the year ended June 30, 2025, HFHMO served 114 families by building 13 new homes and providing 101 home repair services.

HFHMO is primarily and directly responsible for the legal, organizational, fundraising, family selection and nurture, financial and construction aspects of the development of affordable housing for the community of Central Ohio. Through its many volunteers, HFHMO constructs affordable housing and sells the homes to qualified families at fair market (appraised) value. HFHMO and its subsidiaries ensure the provision of affordable mortgages either through self or third-party origination.

HFHMO also operates three retail stores (ReStores) that sell new and previously used items donated by retail businesses, contractors, other organizations and the general public. The proceeds from the ReStores fund HFHMO’s mission to combat the affordable housing challenge in central Ohio.

2. Summary of Significant Accounting Policies

a. Principles of Consolidation

The consolidated financial statements include the accounts of HFHMO and its majority-owned, controlled subsidiaries, HCRC and Habitat N21st (collectively, the Organization). All significant intercompany accounts and transactions have been eliminated in consolidation.

b. Basis of Accounting

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

c. Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

d. Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

The Organization maintains cash balances at U.S. banks, which are insured by the Federal Deposit Insurance Corporation for up to $250,000 for each institution. The Organization's cash balances at times exceeded federally insured limits. The Organization has not experienced any losses and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

e. Contributions and Grants

Unconditional contributions and grants are recognized as revenue in the period in which the commitment or payment is first received. All contributions and grants are considered available for general operations unless specifically restricted by the donor. Proceeds from conditional contributions and grants are recorded as refundable advances until all conditions are met. At June 30, 2025 and 2024, the Organization had approximately $190,000 and $549,000, respectively, of conditional contributions and grants recorded as refundable advances, which will be recognized as revenue when all conditions are met. These conditions require the Organization to complete home builds and repairs for partner families.

At June 30, 2025 and 2024, the Organization had approximately $1,909,000 and $1,950,000, respectively, of conditional grants outstanding where the payments have not been received. The conditions on these grants require the Organization to incur eligible expenses under the grants by providing program services and therefore have not been recognized as revenue in the accompanying statement of activities and change in net assets.

Provisions are made for estimated uncollectible contributions and grants receivable. The Organization's estimate for the allowance is based on historical collection experience, a review of current status of receivables and judgment. Decisions to charge off receivables are based on policies and procedures approved by the board of directors and management's judgment after consideration of the facts and circumstances surrounding potential uncollectible accounts. There was no allowance for doubtful accounts as of June 30, 2025 and 2024 deemed necessary for contributions or grants receivable.

f. Mortgages Receivable

Sales to homeowners are recorded on the date title to the property transfers.

All mortgages closed are noninterest-bearing and, as a result, receivables are recorded at the gross amount less a discount based on prevailing market interest rates at the inception of the mortgages. Amortization of the loan discount is recognized as income over the life of the mortgage. Mortgages receivable are secured by a first mortgage on the related property.

The Organization monitors its credit risk by establishing credit policies for its loans and reviewing compliance with these policies. Mortgages receivable are considered past due when a homeowner fails to make scheduled payments. Provisions are made for estimated credit losses on mortgages receivable. The Organization's estimate of the allowance is based on historical collection experience, a review of the current status of receivables, current economic conditions through a reasonable forecast period and judgment. Decisions to foreclose on a mortgage are based on policies and procedures approved by the board of directors and on management’s judgment after consideration of facts and circumstances surrounding potential uncollectible amounts. Given its mission, the Organization tries to work with homeowners and foreclosures are kept to a minimum.

g. Investments

Investments are reported at fair value. Adjustments to reflect increases or decreases in fair value, referred to as unrealized gains and losses, are reported in the consolidated statement of activities and changes in net assets.

Gains and losses on the sale of investments are determined using the specific identification method. Realized gains and losses arising from the sale of investments and ordinary income from investments are reported as changes in net assets without donor restrictions unless their use is restricted by explicit donor-imposed stipulations or law. Dividend and interest income are accrued as earned.

The investment portfolio is managed by professional investment advisors and managers in accordance with the Organization’s investment policy.

h. Inventories

Inventories consist of furniture and household goods purchased by and contributed to the Organization. Purchased inventory is stated at lower of cost or net realizable value. Contributed inventory is stated at fair value. Purchased inventory approximated 33% and 27% of total inventory at June 30, 2025 and 2024, respectively. Inventories are adjusted for estimated excess and obsolete items based on assumptions about future demand and market conditions when necessary.

i. Property and Equipment

Property and equipment is recorded at cost. Expenditures for additions, improvements and other enhancements to property and equipment are capitalized, and minor replacements, maintenance and repairs that do not extend asset life or add value are charged to expense as incurred. When property and equipment assets are retired or otherwise disposed of, the related cost and accumulated depreciation is removed from the accounts and any resulting gain or loss is included in results of operations.

In general, depreciation is the systematic and rational allocation of an asset's cost, less its residual value (if any) to the periods it benefits. Property and equipment is depreciated using the straight-line method, which results in depreciation expense being incurred evenly over the life of an asset. Estimated useful lives range from three to 30 years. The Organization's estimate of depreciation expense incorporates management assumptions regarding the useful economic lives and residual values of the Organization's assets. The Organization periodically reviews and adjusts, as appropriate, the residual values and useful lives of its assets.

Long-lived assets held and used, including property and equipment, are measured at fair value when the Organization determines the carrying amount of the asset is not recoverable. Recoverability of assets to be held and used is measured by comparing the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated undiscounted future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. There were no impairment charges recognized for the years ended June 30, 2025 and 2024.

j. Assets Held for Sale

Assets to be disposed of are reclassified as assets held for sale at the lower of their carrying amount or fair value less estimated costs to sell. Adjustments to write down assets to fair value less the amount of costs to sell are reported in operating income. Assets held for sale are expected to be disposed of by selling the assets within the next 12 months; accordingly, depreciation is not recorded on these assets. Gains and losses on property and equipment are reported in operating income. Assets held for sale at June 30, 2025 include the Bethel Road ReStore location. There were no significant adjustments recorded to the assets during the year ended June 30, 2025.

k. Interest Rate Swap

The Organization has an interest rate swap to manage its exposure to interest rate fluctuations on its variable-rate debt. The fair value of the interest rate swap is recorded as an asset or liability on the statement of financial position. The Organization has elected not to apply hedge accounting and, therefore, changes in the fair value of the interest rate swap are recognized through the change in net assets.

l. Net Assets

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and board of directors (Board). Net assets without donor restrictions include net assets designated by the Board of $2,199,059 and $1,929,039 at June 30, 2025 and 2024, respectively. This amount represents 25% of the original note balance from mortgages sold to third parties to cover the potential buyback of nonperforming loans.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, wherein the donor has stipulated the funds be maintained in perpetuity. All net assets restricted by donors as to either timing or purpose of the related expenditures or required to be maintained in perpetuity as a source of investment income are accounted for in net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions.

m. Revenue Recognition

The Organization recognizes revenue related to exchange transactions when goods or services promised are transferred to customers in an amount that reflects the consideration to which the Organization expects to be entitled in exchange for those goods or services by following a five-step process: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price; and (5) recognize revenue when or as the Organization satisfies a performance obligation, as further described below. Revenue subject to variability is constrained to an amount that will not result in a significant reversal in future periods when the contingency that creates variability is resolved.

The following significant revenue-generating transactions are within the scope of Accounting Standards Codification 606, and are presented in the consolidated statement of activities and changes in net assets:

Sales to Homeowners - The Organization builds and sells houses to low-income individuals. Such revenues are recognized at the date of closing for the house as this is the point in time the Organization has determined to satisfy its performance obligation.

ReStore Operations - The Organization sells various donated and purchased goods to individuals through its ReStore locations. Such revenues are recognized at the date of sale as this is the point in time the Organization has determined that its performance obligation is satisfied.

n. Contributions and Grants

Contributions - Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities and changes in net assets as net assets released from restrictions.

Grants - Grants are deemed to be nonexchange (nonreciprocal) transactions and fall under the contribution accounting guidance. Under this guidance, revenue related to conditional grants and contracts is recorded when the conditions are met. Most grants are on a cost reimbursement basis and require the Organization to incur eligible expenses prior to the release of funds. The Organization reports these grants as changes in net assets without donor restrictions when restrictions are met in the same period. Unexpended amounts received but not yet earned are reported as refundable advances.

The Organization applies the practical expedient as allowed for within the accounting standards and, therefore, does not disclose information about remaining performance obligations that have original expected durations of one year or less. All remaining performance obligations will be satisfied in connection with completion of the year ending June 30, 2025.

Contributed Nonfinancial Assets - Contributed nonfinancial assets are recorded at fair value at the date of donation. Contributions of services are reported as revenue only if the services create or enhance a nonfinancial asset or would typically need to be purchased by the Organization if they had not been provided by contribution, require specialized skills and are provided by individuals with those skills. See Note 14 for additional disclosure.

o. Functional Allocation of Expenses

The costs of providing the Organization's program and other activities have been summarized on a functional basis in the consolidated statement of activities and changes in net assets. Expenses related directly to program services or supporting activities are charged directly while other expenses that are common to several functions are allocated based on management's estimates, among major classes of programs services and supporting activities. Expenses that are allocated include utilities, other building and equipment expenses and supplies. Expenses are allocated based on full-time equivalents or square footage between ReStore and construction depending on the activities of the location.

p. Income Taxes

The Organization is a not-for-profit organization as described in Section 501(c)3 of the Internal Revenue Code and is exempt from federal and state income taxes on trade or business profits generated by activities related to the Organization's exempt function. The Organization may be subject to federal and state income taxes for profits generated from trade or business activities unrelated to the Organization's exempt function. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status, identify and report unrelated business income, and determine its filing and tax obligations in jurisdictions for which it has nexus. As of June 30, 2025 and 2024, the Organization believes that it has not generated any unrelated business taxable income.

The Organization recognizes the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position would be sustained on examination by the taxing authorities based on the technical merits of the position. The amount recognized is the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon examination. Interest and penalties related to unrecognized tax benefits are classified as income tax expense.

Generally, the Organization is no longer subject to U.S. federal, state and local or non-U.S. income tax examinations by tax authorities for years before 2022.

q. Fair Value Measurements

The Organization measures certain financial instruments at fair value on a recurring basis at each reporting period. Certain assets are measured at fair value on a nonrecurring basis annually or when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Fair value is estimated as the amount that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value estimates involve uncertainty and significant judgment regarding interest rates, credit risk, prepayments and other factors, especially when quoted prices are unavailable. Changes in assumptions or market conditions could significantly affect these estimates.

Fair Value Hierarchy

Assets and liabilities recorded at fair value are measured and classified in accordance with a fair value hierarchy consisting of three levels based on the observability of valuation inputs:

- **Level 1:** Fair value measurements based on quoted prices (unadjusted) in active markets that the Organization has the ability to access for identical assets or liabilities. Market price data generally is obtained from exchange or dealer markets. The Organization does not adjust the quoted price for such instruments.

- **Level 2:** Fair value measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.

- **Level 3:** Fair value measurements based on valuation techniques that use significant unobservable inputs. Both observable and unobservable inputs may be used to determine the fair values of positions classified in Level 3. The circumstances for using these measurements include those in which there is little, if any, market activity for the asset or liability, therefore, the Organization must make certain assumptions about the inputs a hypothetical market participant would use to value that asset or liability.

The Organization maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. Financial instruments with quoted prices in active markets generally have more pricing observability and require less judgment in measuring fair value. Conversely, financial instruments for which no quoted prices are available have less observability and are measured at fair value using valuation models or other pricing techniques that require more judgment. Pricing observability is affected by a number of factors, including the type of financial instrument, whether the financial instrument is new to the market and not yet established, the characteristics specific to the transaction, liquidity and general market conditions.

In certain cases, the inputs used to measure the fair value of an asset or liability may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

r. Subsequent Events

The Organization's management evaluated events that occurred after June 30, 2025 through January 28, 2026, the date when the consolidated financial statements were available to be issued.

3. Liquidity and Availability of Resources

The Organization’s financial assets available for general use at June 30 consist of the following:

	2025	2024
Financial assets available		
Cash and cash equivalents	$ 2,182,308	$ 802,517
Receivables	1,838,438	2,247,425
Investments	6,439,533	6,833,283
Total financial assets available	10,460,279	9,883,225
Less		
Long-term investments	-	(670,006)
Investments securing margin loan	-	(187,440)
Net assets with donor restrictions	(289,992)	(380,647)
Board-designated net assets	(2,199,059)	(1,929,039)
Financial assets available to meet cash needs for general expenditures within one year	$ 7,971,228	$ 6,716,093

In addition to these available assets, a significant portion of the Organization's annual expenditures are funded with operating revenues from ReStores as well as grant and contribution support for the following year build cycle.

4. Contributions and Grants Receivable

Contributions and grants receivable consist of the following at June 30:

	2025	2024
Due within one year	$ 673,596	$ 859,690
Due in one to five years	100,000	199,000
Contributions and grants receivable, gross	773,596	1,058,690
Less discount to net present value	(17,803)	(30,633)
Contributions and grants receivable, net	$ 755,793	$ 1,028,057

The discount rate used to measure the net present value was approximately 5.50% at June 30, 2025 and 2024.

5. Mortgages Receivable

Mortgages receivable consist of the following at June 30:

	2025	2024
Notes receivable from various partner families, secured by real estate, with monthly payments ranging between $200 and $890, due through August 2057.	$ 12,482,138	$ 15,079,124
Other mortgage-related receivables	218,526	217,004
Total mortgages receivable, gross	12,700,664	15,296,128
Allowance for credit losses	(262,086)	(201,447)
Unamortized discount based on imputed interest rates ranging from 3.75% to 8.75%	(4,601,465)	(5,554,613)
Mortgages receivable, net	$ 7,837,113	$ 9,540,068

As a result of serving exclusively low-income families and making extraordinary efforts to help them maintain homeownership, the Organization's loan portfolio's delinquency rate can generally be expected to be higher than that of a conventional lender. The Organization works with homeowners and, generally, if a delinquent homeowner shows promise and makes six straight months of full payments, the Organization will work with the homeowner on a payment plan so the mortgage will be current within a 12-month period. No loan modifications were made during the years ended June 30, 2025 and 2024.

The following is a reconciliation of the face value of mortgages receivable as of June 30:

	2025	2024
Beginning balance	$ 15,079,124	$ 12,779,632
Mortgages issued	1,180,227	3,703,703
Payments received	(1,325,869)	(1,404,211)
Mortgages sold	(2,298,870)	-
Other	(152,474)	-
Ending balance	$ 12,482,138	$ 15,079,124

The following is a schedule of anticipated reductions of mortgages as of June 30, 2025:

Year	Payments from homeowners	Amortization of discount	Net reduction
2026	$ 971,324	$ 358,073	$ 613,251
2027	939,516	346,347	593,169
2028	908,437	334,890	573,547
2029	869,688	320,605	549,083
2030	821,168	302,719	518,449
Thereafter	7,972,005	2,938,831	5,033,174
Totals	$ 12,482,138	$ 4,601,465	$ 7,880,673

6. Construction-in-Progress

Construction-in-progress consists of the following at June 30:

	2025	2024
Construction-in-progress, cost	$ 1,184,439	$ 2,856,977
Property held for development	348,837	262,628
Construction-in-progress, gross	1,533,276	3,119,605
Less allowance for estimated loss on sale	(290,656)	(733,495)
Construction-in-progress, net	$ 1,242,620	$ 2,386,110

Construction-in-progress includes houses where construction has been completed but the house has not yet sold. Property held for development is for the land or in-fill lots acquired for future plans to build or develop within the next 12-18 months. There are currently no large land acquisitions in process.

Construction activity for the years ended June 30 is as follows:

	2025	2024
Houses in progress, beginning of year	4	6
Houses started during the year	15	14
Houses completed during the year	(14)	(16)
Houses in progress, end of year	5	4
Houses not yet sold, end of year	2	9

7. Property and Equipment

Property and equipment consist of the following at June 30:

	2025	2024
Land	$ 1,815,923	$ 2,528,923
Building	3,526,414	4,769,511
Building improvements	1,098,761	1,084,619
Transportation	917,745	944,495
Office and warehouse equipment	419,425	409,471
Furniture and fixtures	245,773	245,773
Other depreciable assets	27,781	28,835
Property and equipment, gross	8,051,822	10,011,627
Less accumulated depreciation	(2,815,171)	(2,435,984)
Property and equipment, net	$ 5,236,651	$ 7,575,643

Depreciation expense related to property and equipment was $420,938 and $420,276 for the years ended June 30, 2025 and 2024, respectively.

8. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist of the following at June 30:

	2025	2024
Trade accounts payable	$ 378,301	$ 676,201
Accrued expenses	796,926	1,022,644
Total accounts payable and accrued expenses	$ 1,175,227	$ 1,698,845

9. Defined Contribution Plan

The Organization sponsors a defined contribution plan for its employees. To participate in the plan, individuals must be employed full-time for six months. The Organization matches employee contributions at the rate of 50% for each dollar contributed up to 6% of the employee's eligible compensation. Amounts charged to expense for the defined contribution plan totaled $56,666 and $72,827 for the years ended June 30, 2025 and 2024, respectively.

10. Litigation

In the normal course of operations, the Organization becomes involved in legal matters and claims. While it believes the ultimate outcome of such other matters and claims will not have a material adverse effect on its financial position, results of operations or cash flows, the outcome of such matters and claims is not determinable with certainty and negative outcomes may adversely affect the Organization.

11. Debt

Long-term debt consists of the following at June 30:

	2025	2024
Note payable to United Midwest Savings Bank (Bank). This note is secured by 18 one-to-four-bedroom family home mortgages receivable as agreed to with the Bank. The note provides for interest at the prime rate minus 1.50% (6% and 7% as of June 30, 2025 and 2024, respectively). The note is payable in monthly installments based on the value of the mortgages held as collateral. Monthly payments approximated $5,600 for the years ended June 30, 2025 and 2024. The note is scheduled to mature in May 2027.	$ 317,834	$ 384,608
Note payable to United Midwest Savings Bank. This note is noninterest-bearing and is secured by a second position as the same above-listed mortgages. The note is payable in monthly installments of approximately $2,400 and is scheduled to mature in May 2029.	183,064	211,682
Notes payable to United Midwest Savings Bank. The Organization received financing to purchase various vehicles up to $300,000. The note is noninterest-bearing. The note is payable in monthly installments of $5,000 over 60 months and is scheduled to mature in June 2028.	180,000	240,000
Notes payable to United Midwest Savings Bank. The Organization received financing to purchase various equipment and vehicles up to $150,000. The note is noninterest-bearing. The note is payable in monthly installments of $2,500 over 60 months and is scheduled to mature in July 2028.	92,500	122,500
Note payable to United Midwest Savings Bank (the Bank). This note is secured by five one-to-four-bedroom family home mortgages receivable as agreed to with the Bank. The note is a noninterest-bearing and monthly payments are made based on the value of the mortgages held as collateral. Monthly payments approximated $2,200 for the years ended June 30, 2025 and 2024. The note is scheduled to mature in April 2034.	479,892	506,556

	2025	2024
Note payable to United Midwest Savings Bank (the Bank). This note is secured by five one-to-four-bedroom family home mortgages receivable as agreed to with the Bank. The note is a noninterest-bearing and monthly payments are made based on the value of the mortgages held as collateral. Monthly payments approximated $2,700 for the years ended June 30, 2025 and 2024. The note is scheduled to mature in June 2034.	474,755	506,761
Mortgage note payable to Huntington Bank. The note bears interest at a rate of 3.63% and is payable in monthly installments of principal and interest of $3,009. The note is secured by the building and land at 6665 Busch Boulevard and potential rents. The note is scheduled to mature in September 2035.	309,892	334,107
Mortgage note payable to Huntington Bank. This note is secured by the building and land at 2555 Bethel Road (a ReStore location), capital improvements and potential rents. The note is payable in monthly installments of principal and interest of approximately $13,000 and bears interest at the Secured Overnight Financing Rate (SOFR) + 2.2% (6.52% and 6.32% at June 30, 2025 and 2024, respectively). There is an interest rate swap agreement in place for this note payable, effectively fixing the interest rate at 4.79%. The note is scheduled to mature in September 2039.	1,692,849	1,771,401
Note payable to Northern Trust. This note is noninterest-bearing and secured by eight mortgages receivable as agreed upon with the bank. This note is payable in monthly installments based on the value of the mortgages held as collateral. Monthly payments approximated $4,500 for the years ended June 30, 2025 and 2024. The note is scheduled to mature in November 2041.	454,307	499,892
Note payable to Park National Bank. This note is secured by the building and land at 1660 N21st Street, Newark, Ohio, capital improvements and potential rents. The note is payable in monthly installments of principal and interest of approximately $19,000 and bears interest at 5.04%. The note is scheduled to mature in July 2037.	2,065,276	2,185,840
Margin loan payable to Charles Schwab. Interest on the margin loan is 6.25% and is secured by investments held with Charles Schwab and has no formal due date.	-	187,440

	2025	2024
The Organization has various funding agreements with Habitat International identified as SHOP notes. Of the funding, 75% is in the form of a grant to the Organization and the other 25% is in the form of a note payable to Habitat International. The promissory note portion is noninterest-bearing and provides for interest at a rate of 10% per annum upon default by the Organization of any of the terms of the note. The notes are payable in monthly installments ranging from $156 to $510 and are scheduled to mature at various dates through December 2026. The average total monthly payment approximated $1,800 during the year ended June 30, 2025.	11,599	27,772
Note payable to United Midwest Savings Bank. The Organization received financing for a vehicle in the amount of $27,213. The note is noninterest-bearing and is secured by the vehicle. The note is payable in monthly installments of $454 over 60 months and matured in March 2025.	-	4,082
Total long-term debt	6,261,968	6,982,641
Less imputed interest SHOP notes	-	(369)
Less current maturities		
Note payable, current	(528,877)	(728,929)
Net long-term debt	$ 5,733,091	$ 6,253,343

The aggregate amounts of principal maturities of long-term debt outstanding at June 30, 2025 are as follows:

Year	**Future Payments**
2026	$ 528,877
2027	546,465
2028	673,132
2029	483,636
2030	397,423
Thereafter	3,632,435
Total long-term debt	$ 6,261,968

Line of Credit

The Organization had a $1,540,000 revolving line of credit with a bank for its working capital needs that expired in February 2025 and was not renewed. The line was collateralized by the land and building at the ReStore location at 3140 Westerville Road. Interest under this line of credit was at the Prime Rate less 0.5% (7% at June 30, 2025) and was payable monthly through the expiration date.

Restrictive Covenants

The provisions of the mortgage note payable to Huntington National Bank contain a debt service coverage ratio covenant. The Organization was not in compliance with the covenant at June 30, 2025. This debt was paid off in October 2025 in connection with the sale of the Bethel Road ReStore location; see Note 19.

12. Interest Rate Swap Agreement

The Organization has entered into an interest rate swap agreement (swap agreement) with Huntington National Bank to hedge against the risk of changes in future cash flows due to changes in interest rates for $1,692,849 of its variable-rate debt. The swap agreement provides for the Organization to receive interest at SOFR plus 2.2% and to pay interest at a fixed rate of 4.79%.

The following table presents certain information regarding the Organization's swap agreement at June 30:

	2025	**2024**
Notional amount ($)	1,651,421.00	1,729,974.00
[Weighted average] Pay rate (%)	4.79	4.79
[Weighted average] Receive rate (%)	6.65	7.53
[Weighted average] Maturity (years)	14.00	15.00
Settlement value ($)	139,609.00	190,518.00

During the years ended June 30, the Organization recognized the following:

	2025	**2024**
Loss (gain) on the interest rate swap recognized in other income	$ 50,909	$ (190,518)

13. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes as of June 30:

	2025	2024
Subject to expenditures for specified purpose		
Licking County Housing Initiative capital campaign	$ 221,000	$ 342,937
Emergency response fund	26,306	26,306
Habitat for Humanity International capital campaign	-	10,000
Other	42,686	1,404
Total net assets subject to expenditures for specified purpose	289,992	380,647
Total net assets with donor restrictions	$ 289,992	$ 380,647

The sources of net assets released from restrictions are as follows for the years ended June 30:

	2025	2024
Home construction and repairs	$ 140,538	$ 343,601

The summary of assets held pertaining to net assets with donor restrictions consists of the following at June 30:

	2025	2024
Contributions and grants receivable	$ 236,000	$ 352,687
Cash	53,992	27,960
Total net assets with donor restrictions	$ 289,992	$ 380,647

14. Contributed Nonfinancial Assets

Contributed nonfinancial assets recognized in the consolidated statement of activities and changes in net assets are as follows:

	2025	2024
Inventory	$ 3,010,989	$ 2,736,123
Other goods and services	308,150	410,634
Total contributed nonfinancial assets	$ 3,319,139	$ 3,146,757

The contributed nonfinancial assets the Organization recognized in the consolidated statement of activities and changes in net assets did not have donor-imposed restrictions.

The contributed inventory is sold in ReStore locations. Other contributed goods and services primarily relate to construction materials and real estate and brokerage services.

15. Related Party Transactions

The Organization remits a portion of its contributions (excluding contributed nonfinancial assets) to Habitat International in annual tithing. These funds are used to construct homes in economically depressed areas around the world. For the years ended June 30, 2025 and 2024, the Organization contributed $50,000 to Habitat International.

The Organization remits a portion of its contributions (excluding contributed nonfinancial assets) to Habitat International for the SOSI fee (U.S. Stewardship and Organizational Sustainability Fee). For the years ended June 30, 2025 and 2024, the Organization contributed $225,000 and $25,000, respectively, to Habitat International for this fee.

Habitat International facilitates a staffing program referred to as AmeriCorps VISTA. AmeriCorps and VISTA-related staffing expense was $101,226 and $135,760 for the years ended June 30, 2025 and 2024, respectively. In connection with the AmeriCorps VISTA program, the Organization paid 41% of the compensation and Habitat International contributed 59%, for the years ended June 30, 2025 and 2024, which was recorded as contributed nonfinancial revenue and salary expense.

Habitat International also provides grants and loans as described in Note 11.

16. Fair Value Measurements

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Following is a description of the valuation methodologies and inputs used for assets and liabilities recognized in the accompanying statement of financial position measured at fair value on a recurring basis.

Debt Securities

Debt securities include U.S. Treasury Notes. Whenever available, the Organization obtains quoted prices in active markets for identical assets at the statement of financial position date to measure debt securities at fair value. Market price data is generally obtained from dealer markets.

When quoted prices are unavailable, the Organization uses market-accepted valuation methodologies, which may utilize matrix pricing, financial models, accompanying model inputs and various assumptions, to estimate the fair value of individual securities. The inputs used include but are not limited to market prices from completed transactions for identical securities and transactions for comparable securities, benchmark yields, interest rate yield curves, credit spreads, prepayment rates, default rates, recovery assumptions, currency rates, quoted prices for similar securities and other market-observable information, as applicable.

When sufficient market observable information is unavailable, fair value is determined based on discounted cash flow models using discount rates based on credit spreads, yields or price levels of comparable securities, adjusted for illiquidity and structure.

Equity Securities

Whenever available, the Organization obtains quoted prices in active markets for identical assets at the statement of financial position date to measure equity securities with readily determinable fair values. Market price data is generally obtained from exchange or dealer markets.

Other Investments

The Organization initially estimates the fair value of investments in certain hedge funds, private equity funds and other investment partnerships at the transaction price. Subsequently, these investments are measured using net asset value information provided by the general partner or manager of the investments, the financial statements of which are generally audited annually.

Derivatives

Derivative assets and liabilities can be exchange-traded or traded over-the-counter (OTC). The Organization generally values exchange-traded derivatives such as futures and options using quoted prices in active markets for identical derivatives at the statement of financial position date.

OTC derivatives are valued using market transactions and other market evidence whenever possible, including market-based inputs to models, model calibration to market clearing transactions, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. When models are used, the selection of a particular model to value an OTC derivative depends on the contractual terms of, and specific risks inherent in the instrument, as well as the availability of pricing information in the market. The Organization generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures of volatility, prepayment rates and correlations of such inputs. For OTC derivatives that trade in liquid markets, such as generic forwards, swaps, options, model inputs can generally be corroborated by observable market data by correlation or other means and model selection does not involve significant management judgment.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Measured at Net Asset Value	Total Fair Value
June 30, 2025					
Assets					
Cash and cash equivalents:					
Money market funds	$ 323,305	$ -	$ -	$ -	$ 323,305
Debt securities					
Government obligations	-	1,289,851	-	-	1,289,851
Equity securities					
Mutual funds	1,588,155	-	-	-	1,588,155
Exchange-traded funds	1,992,826	-	-	-	1,992,826
Total equity securities	3,580,981	-	-	-	3,580,981
Interest rate swaps	-	139,609	-	-	139,609
Alternative investments (a)					
Private equity funds	-	-	-	1,245,396	1,245,396
Total assets	$ 3,904,286	$ 1,429,460	$ -	$ 1,245,396	$ 6,579,142

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Measured at Net Asset Value	Total Fair Value
June 30, 2024					
Assets					
Cash and cash equivalents					
Money market funds	$ 26,981	$ -	$ -	$ -	$ 26,981
Debt securities					
Government obligations	-	2,950,991	-	-	2,950,991
Equity securities					
Mutual funds	1,210,766	-	-	-	1,210,766
Exchange-traded funds	1,511,006	-	-	-	1,511,006
Total equity securities	2,721,772	-	-	-	2,721,772
Interest rate swaps	-	190,518	-	-	190,518
Alternative investments (a)					
Private equity funds	-	-	-	1,133,539	1,133,539
Total assets	$ 2,748,753	$ 3,141,509	$ -	$ 1,133,539	$ 7,023,801

(a) Alternative investments that are measured at fair value using the net asset value per share or its equivalent have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

Investments in Certain Entities Carried at Fair Value Using Net Asset Value per Share

The following table includes information related to alternative investments that calculate net asset value per share (or its equivalent):

Asset Class	Redemption Frequency (If Currently Eligible)	Redemption Notice Period	Strategy	Estimated Life
Private equity funds	N/A	N/A	Invest in a diversified portfolio of alternative assets and strategies	Evergreen

At June 30, 2025, there were no remaining unfunded commitments for alternative investments.

17. Leases

The Organization leases warehouse space on a month-to-month basis. Rent expense was $537,254 and $361,724 for the years ended June 30, 2025 and 2024, respectively.

18. Commitments and Contingencies

The Organization has entered into agreements for financing transactions that involve the sale of mortgages to financial institutions. In the event that a mortgage that was sold becomes nonperforming (those past due more than 90 days), the Organization has agreed to substitute a performing mortgage or may repurchase the nonperforming mortgage. As of June 30, 2025 and 2024, 102 and 75 mortgages, respectively, have been sold or securitized. These mortgages are collateralized by the properties securing the mortgages. The outstanding principal balance of the sold mortgages is $8,796,236 and $7,716,156 at June 30, 2025 and 2024, respectively. The board has designated $2,199,059 and $1,929,039 at June 30, 2025 and 2024, respectively, to be used to buy back nonperforming loans should the need arise.

19. Subsequent Events

In August 2025, the Organization entered into a new long-term debt agreement with Park National Bank for $1,000,000. The note requires interest-only payments at the prime rate for the first 12 months. Monthly principal and interest payments of $7,512 commence in September 2026 through the maturity date of August 11, 2030. Beginning in September 2026, the interest rate is calculated at the Federal Home Loan Bank of Cincinnati Long Term Fixed Rate Advance Four-Year plus 2.5%. The note contains a balloon payment of $902,643 upon maturity.

In October 2025, the Organization sold the Bethel Road ReStore location for $3,200,000. In connection with the sale, $1,693,604 of debt was paid off and the interest rate swap agreement was terminated. The Organization recorded a gain of $1,003,714 in connection with the sale.

Supplementary Information

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
Habitat for Humanity - MidOhio
Columbus, Ohio

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of Habitat for Humanity - MidOhio (Organization), which comprise the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 28, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses; however material weaknesses or significant deficiencies may exist that were not identified.

Schneider Downs & Co., Inc.
www.schneiderdowns.com
PrimeGlobal
An Association of Independent Accounting Firms

One PPG Place
Suite 1700
Pittsburgh, PA 15222
TEL 412.261.3644
FAX 412.261.4876

65 E. State Street
Suite 2000
Columbus, OH 43215
TEL 614.621.4060
FAX 614.621.4062

1660 International Drive
Suite 600
McLean, VA 21102
TEL 571.380.9003

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Schneider Downs & Co., Inc.

Columbus, Ohio
January 28, 2026

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Independent Auditor's Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Board of Directors
Habitat for Humanity - MidOhio
Columbus, Ohio

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Habitat for Humanity - MidOhio's (Organization's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2025. The Organization's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

Schneider Downs & Co., Inc.
www.schneiderdowns.com
PrimeGlobal
An Association of Independent Accounting Firms

One PPG Place
Suite 1700
Pittsburgh, PA 15222
TEL 412.261.3644
FAX 412.261.4876

65 E. State Street
Suite 2000
Columbus, OH 43215
TEL 614.621.4060
FAX 614.621.4062

1660 International Drive
Suite 600
McLean, VA 21102
TEL 571.380.9003

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of the Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization’s compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Organization’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency or a combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency or a combination of deficiencies in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above, however material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Schneider Downs & Co., Inc.

Columbus, Ohio
January 28, 2026

Habitat for Humanity - MidOhio

Schedule of Expenditures of Federal Awards
June 30, 2025

Federal Grantor/Subgrantor/Program Title	Assistance Listing Number	Grantors ID Number		Amount Expended $		Passed Through to Subrecipients $
U.S. Department of Housing and Urban Development						
City of Columbus: Community Development Block Grant	14.218	N/A	$	324,196	$	-
City of Columbus: Department of Development: Home Investment Partnership Program	14.239	N/A		615,219		-
City of Newark: Department of Development: Community Housing Improvement Program	14.239	N/A		60,000		-
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				999,415		-
U.S. Department of Treasury						
Ohio Department of Development: COVID-19 State and Local Fiscal Recovery Funds	21.027	N/A		1,226,124		350,000
TOTAL U.S. DEPARTMENT OF TREASURY				1,226,124		350,000
TOTAL EXPENDITURES OF FEDERAL AWARDS			$	2,225,539	$	350,000

Habitat for Humanity - MidOhio

Notes to Schedule of Expenditures of Federal Awards
June 30, 2025

1. Basis of Accounting

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Habitat for Humanity - MidOhio (Organization) under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net position or cash flows of the Organization.

2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The Organization has elected not to use the de minimis indirect cost rate allowed under Uniform Guidance.

4. Subrecipients

For the year ended June 30, 2025, the Organization has passed through $350,000 to subrecipients.

Habitat for Humanity - MidOhio

Summary of Findings and Questioned Costs
June 30, 2025

Section I - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_______Yes	___X____No
Significant deficiency(ies) identified?	_______Yes	____X___None reported
Noncompliance material to financial statements noted?	_______Yes	___X____No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?	_______Yes	___X____No
Significant deficiency(ies) identified?	_______Yes	___X___None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_______Yes	__X____No

Identification of major federal programs:

Assistant Listing Number(s)	**Name of Federal Program or Cluster**
21.027	State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:	$750,000_____________

Auditee qualified as low-risk auditee?	______Yes	___X___No

Section II - Financial Statement Findings Required to be Reported in Accordance with *Government Auditing Standards*

There were no findings noted in the current year that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

Section III - Federal Awards Findings and Questioned Costs

There were no findings noted in the current year that are required to be reported in accordance with 2-CFR 200.516(a).